Distr.
GENERAL

GC.7/10
IDB.17/6
26 May 1997

United Nations Industrial Development Organization

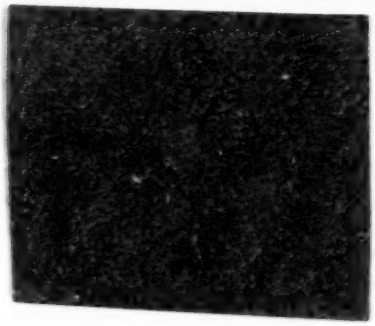
ORIGINAL : ENGLISH

## GENERAL CONFERENCE

Seventh session
Vienna, 1-5 December 1997

## Industrial Development Board

Seventeenth session
Vienna, 23-27 June 1997
Item 7 of the provisional agenda



# DEVELOPMENT OF HUMAN RESOURCES FOR INDUSTRY

Report by the Director-General

**Summary**

Provides information on the results of a review of projects for their industrial human resources development (IHRD) content, proposes a reorientation of UNIDO IHRD activities and gives examples of recent projects with IHRD emphasis.

## INTRODUCTION

1. The present report has been prepared in response to General Conference resolution GC.6/Res.4 in which the Director-General is requested to report to the General Conference at its seventh session through the Industrial Development Board on the implementation of that resolution.

2. The present report should be read in conjunction with the information on UNIDO activities in favour of development of human resources for industry provided in the *Annual Report of UNIDO 1996* (IDB.17/10, chap. III.D). That text contains detailed information on a number of important technical cooperation activities, strategy and policy advice on industrial human resources development (IHRD), institutional and enterprise-level support, and on applications of the operational instruments for IHRD.

3. The Secretariat took a number of measures to more clearly define the human resources development concept of UNIDO. A review was carried out of projects implemented by the various divisions of UNIDO. The review revealed that in 1996 some 440 UNIDO projects included the theme of human resources development

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V.97-23759 (E) (a:\1997\pmo 2)

Distr.: 2 June 1997

and covered areas such as policy advice, institutional capacity-building, entrepreneurship development, investment, environment, standardization and metrology and sector-specific technical training. The study also revealed that the common methodology and approach for the design and implementation of IHRD activities needs to be further strengthened.

4. In the light of the above and given the high priority that the Member States and the Secretariat accord to IHRD, it was considered desirable to consolidate the experience acquired by the Organization over the years into a more focused, integrated and client-oriented programme. To that end, and following the review mentioned above, the IHRD programme is being reoriented into the following five specific products:

(a) IHRD needs assessment and formulation of action plans and programmes;

(b) IHRD institutional capacity-building;

(c) Industrial entrepreneurship development programme;

(d) Technology-based learning opportunities;

(e) Methodology for design and implementation of IHRD training programmes.

5. These programmes would be targeted to the public and private sectors and would also be of direct benefit to bilateral development agencies, non-governmental organizations (NGOs), and human resources development institutions. Collaboration will be intensified with multilateral and bilateral organizations such as the European Union, the International Labour Organization, the United Nations Development Programme, the World Bank and development agencies in donor countries as well as NGOs, regional and subregional organizations, consultancy organizations and national IHRD institutions.

6. It is expected that this approach will bring about more effective planning and development of IHRD at policy, institutional and enterprise levels in the client countries; adjustment of existing or adoption of new policies, strategies and programmes; strengthening of IHRD institutions and consultancy capabilities; improved industry-university linkages; more effective training of trainers; and upgrading of managerial and technical capabilities as well as skills of entrepreneurs. This will lead to increased industrial performance and productivity, income generation and employment and international networking for IHRD.

7. In June 1997, a symposium on international cooperation on capital formation for industry, organized with the Umea International Centre for Human Resources Development (Global Forum) at Umea, Sweden, will bring together representatives of bilateral development agencies, United Nations agencies and organizations, international financial institutions as well as individual experts from developed and developing countries. The symposium will examine pertinent issues of international cooperation in IHRD for the coming years, review trends, experiences and emerging challenges of IHRD, and identify new concepts and approaches for effective, targeted and coordinated international cooperation programmes in the coming years of accentuated globalization. The recommendations of the symposium will play an important role in refining the new orientation of the UNIDO IHRD programme.

8. The Umea symposium recommendations will also contribute to enhancing the role of IHRD for industrial growth and competitiveness and for building up efficient industrial support services to recipient countries. The identification of IHRD needs of developing countries and countries with economies in transition is being accentuated as an intrinsic aspect of the programme and project formulation process. Practically all preparatory assistance and TSS-1* activities emphasize the identification of IHRD needs, especially in respect of counterparts to be trained. Industrial sector programme review missions also help to identify IHRD needs.

9. Examples of activities aimed at strengthening industrial training institutions and associations are provided in the *Annual Report of UNIDO 1996* (IDB.17/10, chap. III.D), as are efforts to refine and apply the IHRD operational instruments initiated in 1995.

10. Considerable work has been accomplished addressing South-South cooperation. Details are provided in the *Annual Report of UNIDO 1996* on the training programme conducted for French-speaking African countries held at Tangiers, Morocco. With the support of the Government of India and in cooperation with the Entrepreneurship Development Institute of India, a training programme is planned for Eritrea, Ethiopia, Kenya, Uganda and the United Republic of Tanzania for strengthening of industrial management capabilities at the

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* The TSS-1 facility of UNDP applied during the fifth country programming cycle (1992-1996) was replaced on 1 January 1997 by a new facility entitled SPPD (United Nations system Support for Policy and Programme Development).

enterprise level. Participants will consist of managers of established small- and medium-scale industries (SMIs), potential SMI entrepreneurs and trainers from industrial management institutions.

11. With the support of the Government of Indonesia, two programmes are planned with African centres. The first relates to a workshop on small-scale and energy-efficient brick making technology to be conducted with the Indonesian Institute for Research and Development of Ceramic Industry. The aim is to introduce participants to clay-brick and tile-making technology, especially in respect of small-scale, energy-efficient brick-making technology using simple machinery. The workshop will also promote cooperation among participating countries, focusing on priorities and problems related to technology improvement, product quality, technical advice, technology transfer for improved performance of kilns and forming systems.

12. The second programme relates to a technical course on fermented food processing leading to technology transfer, to increased cooperation between Indonesia and the participating African countries in respect of IHRD in food processing, economic valorization of agricultural commodities, including the utilization of by-products, and to enhanced scientific and trade relations.

13. As regards industrial policies, UNIDO intensified its efforts in promoting the involvement of developing country experts in policy advisory projects, thus transmitting successful experiences to the beneficiary countries. In this regard interregional cooperation was promoted for the exchange of experience in Africa and in Latin America and the Caribbean with the support of the Republic of Korea International Cooperation Agency.

14. South-South cooperation was promoted further by strengthening the skills required for investment promotion. In 1996, for example, UNIDO began implementing a project to support investment promotion in Kyrgyzstan, with funding provided by the Government of Japan, utilizing Philippine expertise. Similar projects are being explored with Malaysia and Mexico.

## ACTION REQUIRED OF THE BOARD

15. The Board may wish to take note of the information contained in the present report and provide guidance for further action.